

OLIVER J. PANCHERI, ESQ.
Nevada Bar No. 7476
JESSICA M. LUJAN, ESQ.
Nevada Bar No. 14913
SPENCER FANE LLP
300 South Fourth Street, Suite 1600
Las Vegas, Nevada 89101
Telephone: (702) 408-3400
Fax: (702) 938-8648
Email: opancheri@spencerfane.com
jlujan@spencerfane.com

JEAN-PAUL CIARDULLO, ESQ. (*pro hac vice*)
California Bar No. 284170
FOLEY & LARDNER LLP
555 Flower Street, Suite 3300
Los Angeles, California 90071
Tel: (213) 972-4500
Fax: (213) 486-0065
Email: jciardullo@foley.com

ROBERT T. STEWART, ESQ.
Nevada Bar No. 13770
FOLEY & LARDNER LLP
95 South State Street, Suite 2500
Salt Lake City, Utah 84111
Tel.: (801) 401-8900
Email: rtstewart@foley.com

Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

PARADISE ENTERTAINMENT LIMITED, a
Bermuda corporation; and LT GAME, INC., a
Nevada corporation,

Plaintiffs,

vs.

EMPIRE TECHNOLOGICAL GROUP
LIMITED, a Nevada corporation; GAMING
SPECIALIZED LOGISTICS LLC, a Nevada
limited liability company; LINYI FENG, an
individual; ROY KELCEY ALLISON, an
individual; DARYN KIELY, an individual;
and YI ZHAO, an individual.

Defendants.

Case No. 2:24-cv-00428-JCM-BNW

**DECLARATION OF
CHAN KIN MAN
("LEO CHAN")**

DECLARATION OF CHAN KIN MAN
Case No. 2:24-cv-00428-JCM-BNW

1 I, Chan Kin Man (“Leo Chan”), declare as follows:

2 1. I am the Chief Financial Officer and Company Secretary of Paradise Entertainment
3 Limited (“Paradise”) and in that capacity I am also one of the executives on Paradise management team
4 responsible for the management of Paradise’s subsidiaries, including LT Game Limited (“LTG Limited,”
5 a subsidiary of Paradise incorporated in the British Virgin Islands having its principal place of business in
6 Macau) and LT Game, Inc. (“LT Game”, a Las Vegas-based subsidiary of Paradise). I work closely with
7 and report to Paradise’s Chairman and Managing Director, Dr. Jay Chun (“Dr. Chun”). Based at Paradise’s
8 head office in Hong Kong, I have held this position since February 2017. I am duly authorized by Paradise
9 to make this Declaration on its behalf. Unless otherwise stated, all facts stated herein are true and correct
10 to the best of my knowledge, information and belief, based on either my personal knowledge or
11 information from my records which information I verily believe to be accurate.

12 2. Paradise and its subsidiaries (collectively, “Paradise Group”) are engaged in, inter alia, the
13 development, sale and leasing of electronic gaming equipment and systems, as well as the provision of
14 casino management services. Paradise is a public company that is well-known in the gaming markets of
15 Macau and overseas, with its shares listed on the Main Board of The Stock Exchange of Hong Kong
16 Limited under stock code 1180 since January 20, 1997.

17 3. LTG Limited shares the same management team of Paradise, including Dr. Chun, myself
18 and Defendant Yi “Betty” Zhao (“Ms. Zhao”) (before her leaving from Paradise Group). References in
19 this Declaration to LTG Limited should be understood to also include Paradise, which controls LTG
20 Limited. The Paradise management team also oversees all Paradise subsidiaries including LT Game;
21 however, a local management team, previously led by Defendant Linyi “Frank” Feng (“Mr. Feng”), along
22 with Defendant Roy Kelcey Allison (“Mr. Allison”) and Defendant Daryn Kiely (“Mr. Kiely”), has been
23 established in Las Vegas to manage the day-to-day business affairs of LT Game. As discussed below, Ms.
24 Zhao also worked with the other Defendants.

25 4. Dr. Chun informed me that the purpose of incorporating LT Game in or about February
26 2008 was to expand Paradise’s business into the North American markets. To support this goal, Paradise
27 arranged for Mr. Feng, Dr. Chun’s brother-in-law, to manage LT Game, designating him as President,
28 Secretary, Treasurer and sole Director of LT Game from February 19, 2008 to February 28, 2022.

1 Concurrently, Paradise arranged for the incorporation of Defendant Empire Technological Group Limited
2 (“Empire”) in around September 2012, intended to serve as the long-term exclusive distributor for LT
3 Game’s products in North America, with Mr. Feng appointed as the President of Empire as well. Based
4 on this understanding, LT Game and Empire were initially operated at the same location and utilized the
5 same key local management and personnel. (Note that Empire’s name was originally LT Game
6 International Limited.) Paradise arranged with Mr. Feng to manage both companies, paying Empire’s
7 company expenses along with those of LT Game. After joining Paradise, I was personally involved in
8 overseeing funding from Paradise Group to LT Game and Empire, interacting directly with Mr. Feng in
9 this capacity. Mr. Feng sought approval from Paradise management team to engage in any major
10 undertakings for both LT Game and Empire, and for the approval and funding their respective
11 expenditures for the electronic gaming business of the Paradise Group.

12 5. Ms. Zhao is the cousin of Mr. Feng. Ms. Zhao joined Paradise Group in 2007 and was
13 promoted to the Chief Operating Officer (COO) of the electronic gaming business of Paradise Group in
14 2012, and in that capacity, she was also one of the executives for managing Paradise’s subsidiaries,
15 including but not limited to LTG Limited and LT Game. As COO, Ms. Zhao was responsible for
16 overseeing various departments and teams (including but not limited to research and development, and
17 sales and marketing, etc.) of the electronic gaming business of Paradise and its subsidiaries, including LT
18 Game in Las Vegas. Her main areas of responsibilities included overseeing game development, marketing
19 and customer support of the Paradise Group. Although based in Macau and receiving salaries and
20 remunerations there, Ms. Zhao worked remotely for LT Game in Las Vegas, reporting directly to Dr. Chun
21 on business operation matters related to LT Game in Las Vegas. During her tenure at Paradise Group, she
22 collaborated closely with Dr. Chun, myself and other executives of Paradise Group including the
23 executives of the U.S. team, to align operational initiatives with overall business strategy. She regularly
24 attended various management meetings to facilitate this alignment. Ms. Zhao was responsible for holding
25 Monthly Product Meetings to provide updates on the development and launch of Paradise Group’s gaming
26 products and systems, including internal quality assurance testing and obtaining certification from
27 independent testing laboratories. Executives from LT Game in Las Vegas, particularly Mr. Feng, Mr.
28 Kiely, and other game development executives from various subsidiaries of Paradise, along with Dr. Chun

1 and myself, participated in these meetings. In addition to the Monthly Product Meetings, Ms. Zhao
2 participated Monthly Sales and Marketing Meetings focused on LT Game's business in the North
3 American markets. Alongside Dr. Chun and myself, the executives of LT Game, including Mr. Feng, Mr.
4 Allison, and Mr. Kiely, actively participated in discussions during these meetings.

5 6. As COO of the electronic gaming business for Paradise Group, Ms. Zhao worked closely
6 with Mr. Feng, Mr. Kiely and Mr. Allison from the then local management team at LT Game in Las Vegas,
7 as well as with game development teams in other jurisdictions, to ensure that projects were delivered on
8 time and met quality standards. For example, around June 2021, Ms. Zhao served as the primary contact
9 for negotiating and liaising with a manufacturer in Taiwan regarding the production contract for the Mini
10 Mite Standalone Cabinet ordered by LTG Limited. This cabinet was intended for supply to Empire and
11 then to Royal Gaming Logistic, LLC in the Puerto Rican gaming market. Throughout this transaction, Ms.
12 Zhao collaborated closely with the then local management team of LT Game in Las Vegas, including
13 Defendants Mr. Feng, Mr. Kiely, and Mr. Allison.

14 7. On February 10, 2022, I received an email from Mr. Feng addressed to Dr. Chun, in which
15 he announced his intention to resign at the end of the month. In the email, Mr. Feng reassured Dr. Chun,
16 stating that as his brother-in-law, it was his responsibility and duty to continue as a licensee and guardian.
17 He stated that he was also committed to reporting any opportunities for profit for Paradise in future, if
18 any.

19 8. With Mr. Feng's departure, Dr. Chun, believing in Ms. Zhao's trustworthiness and her
20 familiarity with the electronic gaming business in the U.S. as COO, assigned her the role of sole Director
21 of LT Game effective on March 1, 2022. Additionally, effective on the same date, Mr. Kiely, who
22 previously served as LT Game's Chief Technology Officer, reported to Ms. Zhao, was elevated to the title
23 of President of LT Game. In one of her first acts as the Director of LT Game, Ms. Zhao signed the
24 documentation formalizing the said Mr. Kiely's promotion. Attached as **Exhibit A** are copies of the
25 corporate records memorializing these changes effective as of March 1, 2022. Ms. Zhao held the position
26 of sole Director of LT Game until October 20, 2023.

27 9. Ms. Zhao earned the trust of Dr. Chun and me because of her long relationship with
28 Paradise Group. In her role as the sole Director of LT Game, Ms. Zhao continued to work closely with

1 Mr. Kiely and Mr. Allison from the local management team of LT Game in Las Vegas. In or about March
2 2023, Dr. Chun assigned Ms. Zhao to visit the LT Game's office and warehouse in Las Vegas to manage
3 the transition following the announced departure of Mr. Kiely from LT Game (Mr. Kiely's last working
4 date with LT Game was March 31, 2023) and to make necessary recommendations to Dr Chun and me.

5 10. It was not until around August 2023 that Paradise began to grasp the actions of Mr. Feng
6 and the other Defendants. At that time, there were media reporting that Mr. Feng was using Empire (doing
7 business as "Play Synergy", a name that Dr. Chun and myself had not heard nor were advised before) to
8 purchase assets from the bankruptcy of Aruze Gaming America, Inc., a competitor in the electronic
9 gaming equipment business. Since Empire was intended to be and was operated as the long-term exclusive
10 distributor for Paradise Group, Paradise provided Empire with financial resources and other supports and
11 paid for Empire's business expenses. Having relied on the trust and her special fiduciary relation being a
12 cousin of Mr. Feng and Dr. Chun's wife, Dr. Chun requested Ms. Zhao to approach Mr. Feng for exploring
13 any amicable possibility for resolving the matters in September 2023. The attempt did not produce any
14 results.

15 11. On September 19, 2023, I received an email from Ms. Zhao addressed to Dr. Chun, in
16 which she announced her intention to resign in the month of October 2023, and her last working date was
17 October 20, 2023. Dr. Chun further informed me that his wife had explicitly asked Ms. Zhao in November
18 2023 whether she would be working for Mr. Feng or Empire after separation with Paradise Group, to
19 which Ms. Zhao denied any such intention. On November 23, 2023, media reports revealed that Ms. Zhao
20 had been appointed as the Senior Vice President of International Operations at Aruze Gaming Global (a
21 trade name under Empire), and Mr. Allison was serving the global Chief Operating Officer at Aruze
22 Gaming Global. Since then, we have learned that Mr. Feng and other Defendants have been covertly
23 developing Empire for years to supplant LT Game and compete with Paradise in the marketplace, as
24 alleged in our Complaint.

25 12. We had previously not understood or anticipated Ms. Zhao's close involvement with
26 Defendants' fraudulent activities. However, coincidentally in the same month of October 2023 and
27 following Ms. Zhao's departure from Paradise Group, Mr. Feng and Empire initiated a legal action against
28 Paradise and LT Game in Nevada State Court, seeking a declaratory order. On December 7, 2023, Ms.

1 Zhao was appointed as the representative of Empire Technological Group Limited- Macau Branch.
2 Empire has obtained a gaming equipment manufacturer license from the Gaming Inspection and
3 Coordination Bureau of Macau since May 2024. It became evident that upon Ms. Zhao's joining Empire
4 as Senior Vice President, she was poised to manage Empire's expansion into Macau to compete directly
5 with Paradise there.

6 13. We only more recently learned through the production of documents in this litigation the
7 true extent of Ms. Zhao's participation in Defendants' fraud even during her employment with Paradise.
8 We now perceive that she was covertly acting as part of the management team of Empire and using her
9 position of confidence with Dr. Chun and me to actively misdirect us to conceal the fraud that was being
10 perpetrated.

11
12 I declare under penalty of perjury under the laws of the United States of America and the State of
13 Nevada that the foregoing is true and correct to the best of my knowledge.

14
15 Signed in Hong Kong on May 26, 2025.

16
17
18 

19 Chan Kin Man ("Leo Chan")
20
21
22
23
24
25
26
27
28